

# Trump Orders Agencies to Buy American or Face Consequences

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President Trump on Tuesday is expected to sign an executive order aimed at boosting the economy by instituting a “more muscular” approach to prioritizing American workers and products through federal immigration, procurement and trade laws.

“Buy American is the Trump administration’s highest priority when it comes to spending taxpayer dollars,” a senior administration official told reporters at a background briefing Monday afternoon.

The implications for federal agencies and federal contractors are significant. While a number of laws already require agencies to favor domestic products in federal procurements, administration officials said agencies too often circumvent the requirements through loopholes and waivers—practices the Trump administration intends to halt.

“Agencies have clear marching orders and they will be held strictly accountable for any failure to fulfill the Buy American mission. As part of this accountability, each agency will conduct a comprehensive top-to-bottom Buy American performance review, including an assessment of the agency’s waivers and exceptions as well as a requirement to provide recommendations to strengthen Buy American,” the official said, referring collectively to existing laws, including the 1933 Buy American Act and provisions in the 1982 Surface Transportation Assistance Act and the 2009 American Recovery and Reinvestment Act.

Trump has tasked Commerce Secretary Wilbur Ross with reviewing agencies’ findings and submitting a report with a blueprint for reform within 220 days.

Going forward, public interest waivers in particular will be more narrowly construed and require approval from agency heads to ensure greater accountability, the official said. Also, agencies will need to factor predatory pricing into federal procurements.

“It’s simply unfair for government contracts to be awarded to low bidders who use dumped or injuriously subsidized foreign sourced content to push out domestic producers,” the official said. “This portion of the executive order is an innovative step to stop the foreign cheaters from using taxpayer funds to steal our jobs, shutter our steel mills and offshore our taxes.”

The executive order also requires the State, Labor and Homeland Security departments to crack down on H-1B visa abuse and fraud, and tasks Commerce with reviewing U.S. trade agreements for unfair practices.